

**Vermont Department of Labor
BENEFIT ACCURACY MEASUREMENT (BAM) PROGRAM**

INFORMATION FOR EMPLOYERS

WHAT IS THE BENEFIT ACCURACY MEASUREMENT (BAM) PROGRAM?

The BAM Program is a management information system that helps State and Federal managers control fraud and abuse in the Unemployment Insurance Program. This tool provides valid information on the rates, types, and causes of unemployment insurance benefit overpayments and underpayments. The benefits of the program lead to better detection, prevention, and elimination of improper payments.

Each week throughout the year, a sample of both paid and denied unemployment claims are randomly selected for review. Each selected claim is reviewed to determine if the payment or denial of benefits was correct.

Claimants, whose compensated or denied unemployment have been selected for review, are interviewed; their unemployment insurance claim records are reviewed; their attempts to find work are checked; their reasons for being unemployed are substantiated; and wages used to compute their claim are verified. All this is done in an attempt to determine their eligibility for benefits, and if they received the proper unemployment compensation for the reviewed week.

Based on the investigation, the BAM specialist will conclude whether the week of compensated or denied unemployment was made properly or improperly. If paid or denied improperly, it is determined whether the error was made by the claimant, the unemployment insurance agency, or the employer. Finally, the reason for the improper payment or denial is documented.

Once all this information is obtained, a statistical analysis is performed and information on the rates, types and causes of improper benefit payments or denials is produced.

WILL THE PROGRAM BENEFIT EMPLOYERS?

YES. Over an extended period of time, better detection, prevention, and elimination of improper payments will result in decreased benefit outlays which will have a direct impact on decreasing employer taxes.

WHY ARE EMPLOYERS CONTACTED?

Contacts with employers are an integral part of the investigation. The three main reasons why BAM staff contact employers are:

1. To verify the past or present wages of the person selected for review;
2. To verify that for the week of compensated unemployment selected for review claimants did inquire about or apply for work with the employers they reported to the unemployment insurance office;
3. To verify that the reason for becoming unemployed, which is given by the claimant, is correct.

WHY IS THIS INFORMATION NEEDED?

- BAM staff must verify wages because the right to collect benefits, plus the amount and duration of benefits, are based on previous earnings, length of employment, and current earnings, if any.
- In order to qualify for benefits, a person must be able to, available for and actively seeking work if previously directed to do so. Persons receiving benefits are required to report all work search contacts and the results of each. As a result, BAM staff verify the work search of claimants being reviewed by contacting the employers reported.
- In order to qualify for benefits, claimants must have become unemployed through no fault of their own. It may be necessary for BAM staff to contact employers to substantiate the claimant's reason for becoming unemployed.

WHO CONTACTS EMPLOYERS?

Employers may be contacted by one of several BAM specialists. These specialists have been carefully selected and have received intensive training for the BAM Program. Each specialist is knowledgeable about unemployment insurance laws and policies and strives to ensure that they are followed.

HOW OFTEN ARE EMPLOYERS CONTACTED?

Because the cases for review are randomly selected, the exact number of contacts is not predictable. BAM staff will contact employers only when the need arises.

Sample cases of unemployment benefits paid or denied throughout the state are selected and assigned for investigation each week. Thus, investigations involve any number of employers with whom the claimant worked or inquired about work. The geographic distribution of the claims load and the sample cases should be similar over the long run and, therefore, contacts by BAM staff should not become a burden.

HOW CAN EMPLOYERS HELP?

Employers can help by:

1. Honoring BAM staff's requests for information
2. Providing the requested information promptly
3. Providing information that is accurate to the best of their knowledge
4. Attending all Unemployment Insurance hearings when so requested
5. Sharing other information that might help the staff in determining if the person under review was truly eligible for the benefits received, or denied properly

Equal Opportunity is the Law

The State of Vermont is an Equal Opportunity/Affirmative Action Employer. Applications from women, individuals with disabilities, and people from diverse cultural backgrounds are encouraged. Auxiliary aids and services are available upon request to individuals with disabilities. 711 (TTY/Relay Service) or 802-828-4203 TDD (Vermont Department of Labor).